

San Diego Receives \$35 Million in Energy-Efficiency Funds

Media Contacts:

Ed Van Herik
San Diego Gas & Electric
(877) 866-2066
www.sdge.com

David Rohy
San Diego Regional Energy
Office
(619) 741-1603

Nicole Hall
City Of San Diego
(858)492-5009

SAN DIEGO, June 18, 2002 - A total of 11 local agencies and companies, including the city of San Diego, the San Diego Regional Energy Office (SDREO) and San Diego Gas & Electric (SDG&E), will be offering almost \$35 million to assist with a wide range of energy-efficiency projects during the next year. The funds will provide incentives to citizens through programs such as in-home energy audits, house energy retrofits and commercial installations.

The funds, recently awarded by the California Public Utilities Commission (CPUC), are designed to create permanent and verifiable energy savings in San Diego and southern Orange counties over the long term.

"Energy efficiency is a key cornerstone in San Diego's evolving energy outlook," said Anne S. Smith, vice president, customer service, mass markets, for Sempra Energy Utilities -- SDG&E and Southern California Gas Co. "SDG&E remains committed to ensuring that its customers have the knowledge and help they need when making energy decisions."

SDG&E will directly administer \$22 million to benefit its customers, including programs to supply energy audits, home and business rebate programs, including appliance-recycling programs, new construction incentives for energy efficiency and lighting swap-out programs for hard-to-reach customers.

The city of San Diego will launch its Whole House Retrofit Program to provide incentives and assistance designed for those living in homes constructed before 1978. Through this program, energy-retrofit work, including attic insulation, installation of double-pane windows and weather stripping of exterior doors, will qualify for incentives that range from \$250 to \$875 based on improvements installed and income level of the applicant. The program also offers information about energy efficiency. Design and inspection assistance will be available from the city.

The program's goal is to effect improvements in 500 homes in 2002, and 750 homes in 2003.

"From the energy shortages of 2001 through the present, the city of San Diego has realized total cost avoidance of more than \$3.2 million with energy conservation measure," said San Diego Mayor Dick Murphy. "Our experience has taught us that energy conservation works and anyone can benefit by making just a few adjustments to his or her home. The CPUC funds ultimately will help the city reach our citizens with information and incentives, which, if implemented, will help reduce their energy use and costs, and benefit the environment."

The city of San Diego's Environmental Services Department oversees the city's management of energy use and explores innovative options for energy independence. More information on this program, energy or environmental services is available on the department's web site at

<http://www.sandiego.gov/environmental-services/>.

The SDREO will administer \$7 million to benefit local citizens and businesses. Its programs include a state-of-the-art energy resource and education center, a program to promote energy efficiency in small commercial facilities, a K-12 energy education program for schools, a program to provide technical support to public agencies, an energy and water program and an initiative to provide incentives for planting shade trees in the San Diego region.

"The new programs enhance the opportunities for San Diego citizens and small businesses to reduce the total cost of energy without sacrificing lifestyle and business operations," said David Rohy, chairman of the SDREO. "The public will be well served by the energy- efficiency programs awarded to this area."

The San Diego Regional Energy Office (www.sdenergy.org) is an independent, non-profit organization that provides the San Diego region with critical state and federal energy programs and information. The mission of SDREO is to assist the public, non-profit and private sectors in the region in implementing policies and programs to improve overall energy security and efficiency, while mitigating the environmental impacts of energy use.

San Diego Gas & Electric (SDG&E) is a regulated public utility that provides service to 3 million consumers through 1.3 million electric meters and 775,000 natural gas meters in San Diego and southern Orange counties. SDG&E is part of Sempra Energy Utilities, the umbrella for Sempra Energy-s regulated business units. Sempra Energy (NYSE: SRE) is a Fortune 500 energy services holding company based in San Diego.

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